



Prudential

Draft 4/09/01

**Second notice to Alternative Dispute
Resolution claimants: Request for payment**
**To repurchase coverage, you must complete
and return the attached Confirmation Form with
your payment by Month XX, 2001.**

Month XX, 2001

Dear _____ :

Previously, you indicated your interest in repurchasing life insurance or annuity coverage if Prudential should demutualize. This letter explains what you must do now to repurchase your coverage. If, after reading the enclosed materials, you decide not to repurchase coverage, you may disregard this mailing. However, if you do disregard this mailing, you will not be able to repurchase your coverage or to receive compensation in the demutualization for the coverage you could have repurchased. This is the final notice you will receive about repurchasing coverage.

Where we are in the demutualization process.

Prudential policyholders have approved a plan to convert from a mutual life insurance company to a stock life insurance company. If the plan is approved by the Commissioner of the New Jersey Department of Banking and Insurance, it is likely that Prudential will demutualize within the next year. However, Prudential may still decide not to follow through with demutualization.

How you will be compensated if you repurchase coverage and Prudential demutualizes.

If Prudential does demutualize, the full value of the company will be distributed to eligible policyholders in the form of stock, cash or policy credits. By repurchasing coverage, and thereby changing your previous form of Alternative Dispute Resolution (ADR) relief, you will be eligible for such compensation. The first attachment to this letter (page 3) explains your compensation in detail.

What happens if Prudential does NOT demutualize.

If Prudential does not demutualize, we will notify you. You will not be permitted to repurchase your coverage or change your form of ADR relief, you will not receive the demutualization compensation shown in the attachment to this letter, and any payments you send us will be returned with interest.

If you are no longer interested in repurchasing coverage, there is no need to take any action now.

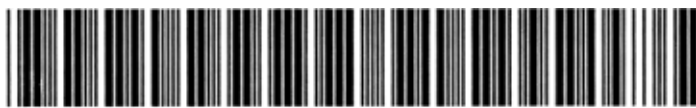
If, after reading the enclosed materials, you decide not to repurchase coverage, you may disregard this mailing. Your previous ADR relief selections will remain in effect and unaffected by demutualization, and you will no longer be able to change the form of your ADR relief or obtain new coverage. You will not receive demutualization compensation associated with the coverage described in the attachment to this letter. However, you will still receive compensation for other eligible policies you may own, if Prudential demutualizes.

To repurchase your coverage, you must complete and return the attached *Confirmation Form* with your payment by Month XX, 2001 using the postage-paid envelope provided.

Please make your check or money order payable to Prudential in the amount shown in the attachment. Be sure to write your ADR claim number (also shown in the attachment) on your check or money order. Please note: If the insured under any life insurance to be repurchased has already died or dies prior to the

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Questions? Call toll-free at x-xxx-xxx-xxxx. TDD x-xxx-xxx-xxxx.



time we receive your payment, you will not be eligible to repurchase your coverage. If the insured under any life insurance to be repurchased should die between the time that we receive your payment and the time that we either return the payment or demutualize, Prudential will retain that money and pay the death benefit associated with the policy. Please call the telephone number below if the insured dies during this period.

If you have any questions concerning demutualization, please call us toll-free.

You can reach us at x-xxx-xxx-xxxx (TDD x-xxx-xxx-xxxx) weekdays from 8 a.m. to 9 p.m. (EDT). Please have your policy number available, and one of our representatives will be happy to assist you.



**Keep this information
for your records**

ADR claim number	Insured
Policy number	Policyholder(s)

By completing the attached *Confirmation Form* (signing and dating where indicated) and returning it to Prudential with the payment of \$#,###.##, you will confirm selection of the relief option shown in the table below. You will also provide us with important information needed to implement your relief.

Your relief option	How much it costs	Your compensation (Shown in shares of stock*)
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*The number of shares shown is an estimate in addition to any shares you may receive in connection with other eligible policies you may own. Information on those policies should have come in a separate mailing if you already own one or more eligible policies. Please see the information below under “Your compensation” for an estimated range of the initial trading price of the stock.

Your relief option.

This is the form of relief you selected in response to the mailing we sent to you on Month XX, 2001.

How much it costs.

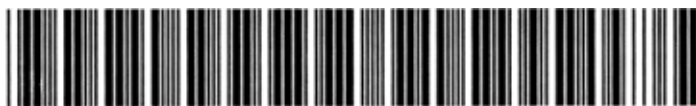
To repurchase your coverage, complete the attached form and return it with a check or money order made payable to Prudential in the amount shown above. (Please write your ADR claim number on your check or money order.) This amount includes:

- repayment of any money you may have received at the time you chose your ADR relief;
- interest on the ADR relief amount; and
- premiums (including interest) that would have been due if this contract had been in effect from the ADR relief date until Prudential demutualizes.

The cost to repurchase your coverage could change. The amount indicated is based on a demutualization date on or before Month XX, 2001, and does not include interest or premiums that could be due prior to a later demutualization effective date. If Prudential demutualizes after this date, you will be notified of any change in the cost. If, at that time, you decide NOT to repurchase your coverage, we will return your payment with interest.

Your compensation.

All eligible policyholders will receive ## shares, or equivalent value in cash or policy credits, regardless of the number of policies they own. In addition, you will be entitled to the “variable number of shares” indicated on the table above if you repurchase your coverage. The total number of shares of stock you receive can be different, depending on whether or not you own other eligible Prudential policies. Additional value will be allocated to policyholders who receive compensation in cash or policy credits. The range of shares of stock shown above does not include such additional compensation. For more information, please see descriptions of the Additional Fixed Component, Additional Variable Component,



and Determination of Amount of Non-Stock Consideration in the *Policyholder Information Booklet* that was sent to you previously, or call the telephone number shown below.

To determine your total estimated compensation:

If you do not own any other eligible policies add the ## fixed number of shares to the number of shares listed above.

If you own other eligible policies you should have received a separate mailing indicating the estimated number of shares (including the ## fixed number of shares allocated to every policyholder) you may receive for those policies. Add that number to the number of shares listed above.

Prudential expects the initial trading price of its stock could be in the range of \$## to \$## per share. However, that number (and therefore the value of any compensation you may receive) could vary depending on market conditions at the time Prudential demutualizes.

Please note, your actual compensation may not necessarily come in the form of stock. You may receive cash or policy credits of equivalent value. This is explained further in *Policyholder Information Booklet, Part I*, which we sent to you in a prior mailing.



Prudential

Confirmation Form for ADR Claimants

ADR claim number **Insured**

Policy number **Policyholder(s)**

Please read and sign the following section regarding collateral assignment.

Every person who has an ownership interest in this Policy has signed this Collateral Assignment and shall cooperate in maintaining the interests assigned under this Collateral Assignment.

▶ <i>Policyholder Signature</i>	<i>Date</i>	<i>Co-Policyholder Signature</i>	<i>Date</i>
<i>Additional Co-Policyholder Signature and parties with ownership interest(s)</i>			<i>Date</i>

Please read, complete and sign the following section regarding the form of your compensation.

IF YOU PREFER CASH, YOU DO NOT NEED TO COMPLETE THIS SECTION.

☐ Check here if you would prefer to receive stock instead of cash.

▶ <i>Policyholder Signature</i>	<i>Date</i>	<i>Co-Policyholder Signature</i>	<i>Date</i>
<i>Additional Co-Policyholder Signature and parties with ownership interest(s)</i>			<i>Date</i>

**Please read, complete and sign the following sections regarding taxation
and your selection acknowledgement.**

Complete this section to avoid unnecessary tax withholding.

If you do not complete this section, we may be required to withhold and pay the IRS 31% of cash amounts you would receive as a result of this purchase, including any demutualization compensation in the form of cash.

Under penalties of perjury, I certify that my Taxpayer Identification Number (TIN) is:

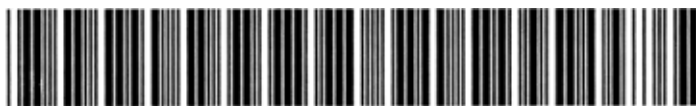
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Please enter your TIN above. Note: A TIN can be either a Social Security Number or an Employer Identification Number. For individuals, a TIN is the Social Security Number

The TIN I entered above is my:

☐ Social Security Number ☐ Employer Identification Number

Please check one.

**Read the following regarding backup withholding.**

I am not subject to backup withholding because:

- (i) I am exempt from backup withholding or
- (ii) I have not been notified by the IRS that I am subject to backup withholding as a failure to report all interest or dividends, or
- (iii) the IRS has notified me that I am no longer subject to backup withholding.

If you have been notified by the IRS that you are currently subject to backup withholding because you failed to report all interest and dividends on your tax return, you must cross out item (ii) above.

By signing this form you acknowledge:

- that you have received the information in this attachment
- that you want to proceed with the change in relief you selected
- THAT THE INTERNAL REVENUE SERVICE DOES NOT REQUIRE YOUR CONSENT TO ANY PROVISION OF THIS DOCUMENT OTHER THAN THE CERTIFICATIONS REQUIRED TO AVOID BACKUP WITHHOLDING

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► Policyholder Signature	Date	Co-Policyholder Signature	Date
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Additional Co-Policyholder Signature and parties with ownership interest(s)			Date